



Allen Anderson, President & CEO

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May 27, 2008

HAND DELIVERED

Ms. Stephanie L. Stumbo
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard P.O. Box 615
Frankfort, KY 40602-0615

RECEIVED

MAY 27 2008

**PUBLIC SERVICE
COMMISSION**

Dear Ms. Stumbo:

SUBJECT: Commission's Order No. 2008-00161

In accordance with the Commission's Order in Case No. 2008-00161 dated May 16, 2008, enclosed herewith are an original and six (6) copies of South Kentucky Rural Electric Cooperative Corporation tariff sheet for the Demand-Side Management Direct Load Control Program which shows the effective date and approval by authority of the Order.

South Kentucky Rural Electric Cooperative Corporation is requesting an effective date of June 2, 2008.

Please return a stamped copy of this tariff to me.

If you have any questions about this filing, please feel free to contact me.

Sincerely,

SOUTH KENTUCKY RECC

A handwritten signature in cursive script that reads 'Allen Anderson'.

Allen Anderson
President & CEO

jb

Enclosures

Direct Load Control of Water Heaters Program

Direct Load Control of Air-Conditioners Program

Purpose

The Direct Load Control of Water Heaters and Air Conditioners will encourage the reduction in growth of peak demand, enabling the Company to utilize its system more efficiently and defer the construction of new generation.

Availability

Both the Direct Load Control of Water Heaters Program and the Direct Load Control of Air Conditioners Program are available to residential customers in the service territories of South Kentucky Rural Electric Cooperative Corporation. Availability may be denied where, in the judgment of the South Kentucky Rural Electric Cooperative Corporation, installation of the load control equipment is impractical.

Eligibility

To qualify for these Programs, the participant must be located in the service territory of South Kentucky Rural Electric Cooperative Corporation and have central air conditioning or heat pump units and/or 40-gallon (minimum) electric water heating units. The above appliances may be electrically cycled or interrupted in accordance with the rules of this Tariff.

Incentive - Direct Load Control of Water Heaters Program

South Kentucky Rural Electric Cooperative Corporation will provide an incentive to the participants in this program. South Kentucky Rural Electric Cooperative Corporation will credit the residential power bill of the participant \$10.00 per water heater each year. The participant will receive this credit regardless of whether the water heater is cycled during the month.

DATE OF ISSUE May 27, 2008 DATE EFFECTIVE: Service rendered on and after June 2, 2008

ISSUED BY Allen Anderson TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00161 Dated May 16, 2008

SOUTH KENTUCKY RECC
SOMERSET, KENTUCKY 42501

Incentive - Direct Load Control of Air-Conditioners Program

South Kentucky Rural Electric Cooperative Corporation will provide an incentive to the participants in this program. The customer may select one of two alternatives. One, South Kentucky Rural Electric Cooperative Corporation will credit the residential power bill of the participant \$20.00 per air conditioner (\$5 per summer months, June, July, August, and September). Two, alternatively, EKP, on behalf of South Kentucky Rural Electric Cooperative Corporation, will provide and install at no cost a digital thermostat for the participant. The participant will receive one of these incentives regardless of whether the air conditioner or heat pump is controlled during the month.

Time Period for the Direct Load Control of Water Heaters Program

A load control switch will be placed on the water heater and may be electrically interrupted for a maximum time period of four hours.

East Kentucky Power Cooperative (“EKPC”) will cycle the water heaters only during the hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
October through April	6:00 a.m. to 12:00 noon 4:00 p.m. to 10:00 p.m.
May through September	10:00 a.m. to 10:00 p.m.

Time Period for the Direct Load Control of Air Conditioners

A load control device (switch or thermostat) will be placed on each central air conditioning unit or heat pump that will allow the operating characteristics of the unit to be modified (by cycling the unit off for periods of time up to 15 minutes, or by adjusting the temperature setting on the thermostat) to reduce demand on the system.

EKPC will control the air conditioning units and heat pumps only during its summer on-peak billing hours listed below.

<u>Months</u>	<u>Hours Applicable for Demand Billing - EST</u>
May through September	10:00 a.m. to 10:00 p.m.

DATE OF ISSUE May 27, 2008 DATE EFFECTIVE: Service rendered on and after June 2, 2008

ISSUED BY Allen Anderson TITLE President & Chief Executive Officer

SOUTH KENTUCKY RECC
SOMERSET, KENTUCKY 42501

For : Entire Territory Served
P.S.C. No. 7
Original Sheet No.T-29

Terms and Conditions

1. If a participant decides to withdraw from the program(s) or change to another load control option, South Kentucky Rural Electric Cooperative Corporation will endeavor to implement the change as soon as possible.
2. Prior to the installation of load control devices, South Kentucky Rural Electric Cooperative Corporation may inspect the participant's electrical equipment to insure good repair and working condition, but South Kentucky Rural Electric Cooperative Corporation shall not be responsible for the repair or maintenance of the electrical equipment.
3. South Kentucky Rural Electric Cooperative Corporation will install, own, and maintain the load management devices controlling the participant's air conditioner or water heater. The participant must allow South Kentucky Rural Electric Cooperative Corporation reasonable access to install, maintain, inspect, test and remove load control devices. Inability of South Kentucky Rural Electric Cooperative Corporation to gain access to the load management device to perform any of the above activities for a period exceeding 30 days may, at South Kentucky Rural Electric Cooperative Corporation option, result in discontinuance of credits under this tariff until such time as South Kentucky Rural Electric Cooperative Corporation is able to gain the required access.

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ISSUED BY Allen Anderson TITLE President & Chief Executive Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. 2008-00161 Dated May 16, 2008

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the above and foregoing was served via
U.S. First Class Mail on May 27, 2008, addressed for delivery to the following:

Copies to:

Big Sandy Rural Electric Cooperative Corporation
504 Eleventh Street
Paintsville, KY 41240-1422

Bluegrass Energy Cooperative Corporation
1201 Lexington RD
PO Box 990
Nicholasville, KY 40340-0990

Clark Energy Cooperative, INC.
2540 Iron Works RD
PO Box 748
Winchester, KY 4392-0748

Cumberland Valley Electric
Highway 25E
Gray, KY 40734

Farmers Rural Electric Cooperative Corporation
504 South Broadway
PO Box 1298
Glasgow, KY 42142-1298

Grayson Rural Electric Cooperative Corporation
109 Bagby Park
Grayson, KY 41143

Inter-County Energy Cooperative Corporation
1009 Hustonville RD
PO Box 87
Danville, KY 40423-0087

Jackson Energy Cooperative
115 Jackson Energy Lane
PO Box 307
McKee, KY 40447

Licking Valley Rural Electric Cooperative Corporation
271 Main Street
PO Box 605
West Liberty, KY 41472

Nolin Rural Electric Cooperative Corporation
411 Ring RD
Elizabethtown, KY 42701-8701

Owen Electric Cooperative
8205 HWY 127 N
PO Box 400
Owenton, KY 40359

Salt River Electric Cooperative Corporation
111 West Brashear Avenue
PO Box 609
Bardstown, KY 40004

Shelby Energy Cooperative, Inc.
620 Old Finchville RD
Shelbyville, KY 40065-1714

Taylor County Rural Electric Cooperative Corporation
625 West Main Street
Campbellsville, KY 42719

Honorable Charles A. Lile
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Winchester, KY 40392-0707

Christopher S. Perry
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Honorable David A. Smart
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Winchester, KY 40392-0707

Mr. Paul Adams
Office of the Attorney General
The Capitol, Suite 118
700 Capitol Avenue
Frankfort, Kentucky 40601-3449

Mr. Dennis Howard
Office of the Attorney General
The Capitol, Suite 118
700 Capitol Avenue
Frankfort, Kentucky 40601-3449

A handwritten signature in cursive script that reads "Darrell Saunders". The signature is written in black ink and is positioned above a horizontal line.

DARRELL SAUNDERS
Attorney at Law
P.O Box 1324
Corbin, KY 40702
606-523-1370